CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12188	**Date: August 4, 2023**
	Change Request 13251

Transmittal 12080 issued June 15, 2023, is being rescinded and replaced by Transmittal 12188, dated August 4, 2023, to modify BR 13251.2.2 per CWFM request. All other information remains the same.

SUBJECT: Prior Authorization (PA) Changes to Implement the Inpatient Rehabilitation Facility (IRF) Review Choice Demonstration (RCD)

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to make Fiscal Intermediary Shared System (FISS) and Common Working File (CWF) system changes necessary to use the PA process to implement the IRF ICD. Current logic requires specific line item service (outpatient) or procedure code (inpatient) to assign and validate the program code. This CR will modify FISS and CWF to assign and validate program codes for IRF claims using criteria specific to IRF claims.

EFFECTIVE DATE: October 1, 2023
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: October 2, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

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I. GENERAL INFORMATION

A. Background: The Centers for Medicare & Medicaid Services (CMS) will test the use of review options for IRFs covered under Part A of the Medicare Fee-for-Service (FFS) program through the IRF Review Choice Demonstration. CMS will test this demonstration in accordance with section 402(a)(1)(J) of the Social Security Act (the Act), which authorizes the Secretary to "develop or demonstrate improved methods for the investigation and prosecution of fraud in the provision of care or services under the health programs."

The IRF RCD will require IRF providers who bill to jurisdictions JJ, JH, JL and JE, regardless of where service is rendered, to participate in 100 percent prepayment or post payment review for inpatient rehabilitation claims. Providers can select prepayment or post-payment review. Providers who don't submit a selection are automatically enrolled in post-payment reviews. Every 6 months, the provider's affirmation rate will be calculated to determine compliance and one of the following review options will be applied - pre-claim review, selective postpayment review, or spot check prepayment review.

To effectively implement the IRF RCD, CMS instructed the impacted Medicare Administrative Contractors (MACs) to use the prior authorization process. It was subsequently identified that current PA logic requires inpatient claims to have an International Classification of Diseases (ICD) procedure code to require prior authorization for the claim. This CR will modify the PA process to use alternate criteria to process IRF claims.

B. Policy: There is no policy impact.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13251.1	FISS shall modify the PA process to allow MACs to use PA for prepayment review of IRF claims. IRF claims are identified by provider numbers XX3025-XX3099, XXR000-XXR999 and XXTAAA-XXT999.					X				
13251.1.1	FISS shall no longer use the ICD10 procedure code to assign a PA program ID for IRF claims.					X				
13251.1.2	FISS shall process IRF claims through the existing outpatient PA logic that looks at line-level data to assign a program ID for applicable claims. All fields currently available to assign a program ID for outpatient claims will be available for IRF claims.					X				
13251.2	The contractor shall make modification to PA processing to read the CMS CERT number on the PRAU auxiliary record when IRF providers (provider range xx3025 to xx3099, xxR000 to xxR999, and xxTAAA to xxT999) are submitted on an inpatient claim.								X	
13251.2.1	CWF shall modify existing PA edits to assign on IRF claims without an ICD10 procedure code.								X	
13251.2.2	CWF shall create a new edit to assign for inpatient claims if a Unique Tracking Number (UTN) is present without an ICD10 procedure code, the provider CCN is an IRF provider, and doesn't match the provider number on the PRAU auxiliary record.								X	
13251.2.2.1	The new edit will be overridable in header of the inpatient claim.								X	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Rita Hazlip, Rita.Hazlip@cms.hhs.gov , Jaclyn Gray, Jaclyn.Gray@cmsl.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
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ATTACHMENTS: 0